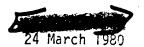


THE DIRECTOR OF CENTRAL INTELLIGENCE



WASHINGTON, D. C. 20505

National Intelligence Officers



MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

VIA:

Deputy Director for National Foreign Assessment()

FROM:

Robert C. Ames

National Intelligence Officer for Near East and South Asia

SUBJECT:

SCC Meeting of 21 March 1980 - "Security Framework"

1. Action Requested: None; for your information. (U)

2. <u>Background</u>: This was the sixth in a series of SCC meetings on the Security Framework for the Persian Gulf/Indian Ocean area. This meeting reviewed three items: Saudi Internal Security, Pakistan, and the Duncan Trip to Saudi Arabia.

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4. Pakistan. It is important that we keep a meaningful dialogue going with the Pakistanis. The best method of doing this is through some sort of economic package. Normally we would try a combination of aid and debt relief, but the former was turned down and the latter will run into Congressional problems. It was suggested that we might try the latter, but we would have to get the IMF on board. The Pakistanis will not agree to the IMF terms, however, and they know we know this, therefore, whole action would appear a sham. Since we do not really have any money, and debt rescheduling would cost us would have to come from the would account - not popular) we should do the following:







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- Start a Congressional dialogue on reaffirmation of the 1959 agreement
- Inform the Pakistanis about our efforts to get others (Japan and FRG) to help them.

On the military side, we will take the McGiffert list and indicate which items we are willing to sell Pakistan and offer to help the Pak military decide priorities.

- 5. <u>Duncan Trip</u>. The Saudis are disturbed that they are getting no credit for producing 9.5 million barrels a day, when all they require is
- 5-6 million barrels to sustain their financial needs. Only Fahd appears to appreciate the security trade-off aspect of this.

is the only family member who has faith in the US resolve in the region.

Production is likely to stay at 9.5 million barrels through the second quarter of 1980.

6. The next meeting on Security Framework will take place on 28 March. The topics will be: The DoD paper on Saudi Internal Security (or National Security/Defense), India and outstanding military issues.

Robert C. Ames



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